TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

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return? Well, regulators and state courts in sever?' states have said, you know, that's enough to establish nexus. Now it's not the stand-alone Internet; it's the Internet with the local store. And if that's the case, then you're...these transactions are taxable. So there were a number of lawsuits and regulatory action in other states, some places by legislation. Arkansas, I believe it was Michigan...no, Minnesota, and California were places in which lawsuits or state legislation had sprung up. Seeing the handwriting on the wall, major retailers said, look, between fighting a rearguard action in a number of states or ignoring our customers who want these kinds of services, we want to do a deal. We will start collecting sales tax, state sales That's a lot easier for them to do, because there are a whole lot of city sales taxes and they don't want to do that. There are like 6,000 city sales taxes. But they would say that they would collect state sales tax. And they essentially made a deal with the 38 states who are working on the streamline project, and Nebraska is one of them. What we said is, amnesty on any previous sales tax up until the agreement. "king's X." Can't go backwards. Can't audit. You can't get any money from the past. But going forward, you will collect our state sales tax. And this includes Marshall Field's, Target, Toys "R" Us, Mervyn's, Barnes & Noble, and "Amazon.com." So one of the things that you see in LB 282 here is, in part, that ability of when enough states are together, that these retailers were able to make a deal and saying, look, we'll get amnesty, and we'll start complying. will help us all, it seems to me, if we can get national retailers to give us the sales tax. And I'll tell you why. It's good for Barnes & Noble on the Internet to pay us because they also compete with Bluestem Bookstore, a little used-book store under the railroad viaduct here in Lincoln. They compete with Lee Booksellers, a homegrown operation with a couple of locations in this town. They compete with Great Plains Press, that sells books. And they have a 7 percent price differential, because they're not collecting sales tax, up until now. the streamline . . .

SPEAKER BROMM: One minute.

SENATOR LANDIS: ...project will let us do is to get to those